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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. **4115**

03/07/2022 Authored by Jordan, Hamilton, Boe, Feist, Wazlawik and others  
The bill was read for the first time and referred to the Committee on Industrial Education and Economic Development Finance and Policy  
03/14/2022 Adoption of Report: Re-referred to the Committee on Health Finance and Policy  
04/04/2022 Adoption of Report: Amended and re-referred to the Committee on Capital Investment

1.1 A bill for an act  
1.2 relating to capital investment; establishing a grant to replace lead drinking water  
1.3 service lines; establishing a grant to inventory publicly owned and privately owned  
1.4 lead service lines; requiring reports; appropriating money; proposing coding for  
1.5 new law in Minnesota Statutes, chapter 144.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. [144.3805] LEAD SERVICE LINE REPLACEMENT GRANT PROGRAM.

1.8 Subdivision 1. Establishment. The commissioner of health must establish a program  
1.9 to replace lead drinking water service lines in the state by 2032 and must provide grants to  
1.10 entities for this purpose. The program must be structured to maximize use of federal funds  
1.11 available for the purposes described in subdivision 2.

1.12 Subd. 2. Eligible recipients. The following are eligible recipients of funds in the program:

1.13 (1) community public water suppliers of a community water system as defined in Code  
1.14 of Federal Regulations, title 40, section 141.2, as amended;

1.15 (2) municipalities;

1.16 (3) suppliers of other residential drinking water systems; and

1.17 (4) any applicant eligible for loans and grants under the federal Safe Drinking Water

1.18 Act.

1.19 Subd. 3. Eligible uses. An eligible recipient may use a grant provided under this program  
1.20 for:

1.21 (1) removing and replacing lead drinking water service lines;

- 2.1 (2) repaying debt incurred for the purposes described in clauses (1), (3), and (4);  
2.2 (3) providing information to residents on the benefits of lead service line removal; or  
2.3 (4) performing necessary construction activities required for and associated with the  
2.4 removal and replacement of lead service lines.

2.5 Subd. 4. **Required removal or replacement of privately owned lead service lines.** At  
2.6 least 70 percent of the funds made available under the grant must be used for the purposes  
2.7 of removing privately owned portions of lead drinking water service lines, installing privately  
2.8 owned portions of drinking water service lines, or repaying debt incurred to remove or  
2.9 replace privately owned portions of lead drinking water service lines.

2.10 Subd. 5. **Grant priorities.** In prioritizing the expenditure of grant money received under  
2.11 this section, the commissioner must give priority to applications that utilize the funds as  
2.12 part of a plan to remove all lead service lines within a municipality or residential drinking  
2.13 water system. A plan should include:

2.14 (1) a description of how the recipient will maximize the number of property owners with  
2.15 privately owned portions of lead service lines that will participate in the removal and  
2.16 replacement, including lower-income residents and those from other disadvantaged  
2.17 communities;

2.18 (2) a description of how the recipient will coordinate the removal of the publicly owned  
2.19 and privately owned portions of the lead service lines to maximize efficient use of funds;

2.20 (3) a description of how the recipient will use the funds as part of a comprehensive plan  
2.21 to remove all lead service lines within the recipient's jurisdiction; and

2.22 (4) a description of how the recipient will ensure compliance with program requirements  
2.23 and other applicable legal requirements.

2.24 Subd. 6. **Workforce plan.** Applicants who serve 75,000 or more customers must submit  
2.25 a workforce plan as part of their application. The workforce plan must include a description  
2.26 of how the applicant will promote and expand the use of registered apprentices, along with  
2.27 populations underrepresented in the construction industry, in the lead removal and  
2.28 replacement work.

2.29 Subd. 7. **Coordination with Public Facilities Authority.** To the extent possible, the  
2.30 commissioner shall coordinate with the Public Facilities Authority in administering this  
2.31 program to maximize the effective use of federal funds for lead service line removal through  
2.32 the drinking water revolving fund and to simplify the application process.

3.1 Subd. 8. **Prevailing wage.** Laborers and mechanics performing work on a project funded  
3.2 by this grant program or loans repaid through this grant program, including removal and  
3.3 replacement of lead drinking water service lines and installation of replacement drinking  
3.4 water service lines, must be paid the prevailing wage rate for the work as defined in section  
3.5 177.42, subdivision 6. The project is subject to the requirements and enforcement provisions  
3.6 of sections 177.30 and 177.41 to 177.45.

3.7 Subd. 9. **Appropriation bonds.** The commissioner of management and budget shall  
3.8 issue \$30,000,000 in appropriation bonds every fiscal year through fiscal year 2032. The  
3.9 proceeds from the bond sale shall be used to fund the grant program under this section.

3.10 Subd. 10. **Report.** By January 31, 2024, and by each January 31 thereafter through  
3.11 January 31, 2033, the commissioner shall submit a report on the grant program to the chairs  
3.12 and ranking minority members of the legislative committees with jurisdiction over capital  
3.13 investment. The report must include, at a minimum, details about awards made, applications  
3.14 submitted, and lead service lines removed.

3.15 **Sec. 2. [144.3807] LEAD SERVICE LINE REMOVAL GOAL.**

3.16 It shall be the goal of the state of Minnesota to remove all lead service lines in public  
3.17 water systems by 2032.

3.18 **Sec. 3. [144.3809] LEAD SERVICE LINE INVENTORIES; COMPLIANCE WITH**  
3.19 **FEDERAL LEAD AND COPPER RULE.**

3.20 Subdivision 1. **Guidance; inventories.** (a) By August 1, 2022, the commissioner of  
3.21 health shall develop guidance for community water systems with instructions on completing  
3.22 lead service line inventories.

3.23 (b) A community water system subject to the Revised Lead and Copper Rule in Code  
3.24 of Federal Regulations, title 40, part 141, shall forward to the commissioner of health by  
3.25 October 16, 2024, an inventory of the lead service lines within the service area of the  
3.26 community water system. The commissioner, in coordination with the University of  
3.27 Minnesota, shall make the results of the lead service line inventories submitted under this  
3.28 subdivision available to the public.

3.29 Subd. 2. **Lead service line reduction plan.** A community water system with lead service  
3.30 lines or lead status unknown service lines must create a lead service line reduction plan and  
3.31 submit the plan to the commissioner by October 16, 2024.

4.1 Subd. 3. **Notice to commissioner of health; compliance with Revised Lead and**  
4.2 **Copper Rule.** A community water system with water tap samples that, upon testing, contain  
4.3 lead in an amount that exceeds ten micrograms per liter must notify the commissioner and  
4.4 report how the community water system will comply with the requirements of the Revised  
4.5 Lead and Copper Rule to eliminate the presence of lead in drinking water by replacing  
4.6 lead-bearing materials, installing point-of-use treatment, or taking other necessary steps.

4.7 Subd. 4. **Report.** By January 31, 2025, and every two years thereafter through January  
4.8 31, 2033, the commissioner shall report to the chairs and ranking minority members of the  
4.9 legislative committees with jurisdiction over drinking water on progress made by community  
4.10 water systems in complying with the Revised Lead and Copper Rule and with the state's  
4.11 goal of eliminating lead plumbing materials in drinking water systems.

4.12 **Sec. 4. LEAD SERVICE LINE INVENTORY GRANT PROGRAM.**

4.13 Subdivision 1. **Establishment.** The commissioner of health shall establish a grant  
4.14 program to provide financial assistance to municipalities for producing an inventory of  
4.15 publicly owned and privately owned lead service lines within their jurisdiction.

4.16 Subd. 2. **Eligible uses.** A municipality may use funding under this program for:

4.17 (1) surveying households to determine the material of which their water service line is  
4.18 made;

4.19 (2) creating publicly available databases or visualizations of lead service lines; and

4.20 (3) compliance with the Environmental Protection Agency's Lead and Copper Rule lead  
4.21 service line inventory requirements.

4.22 **Sec. 5. APPROPRIATION; LEAD SERVICE LINE INVENTORY GRANT**  
4.23 **PROGRAM.**

4.24 \$10,000,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
4.25 of health for the lead service line inventory grant program.